

WHITE PAPER

FACILITY MANAGEMENT

Drive Results With an FM System

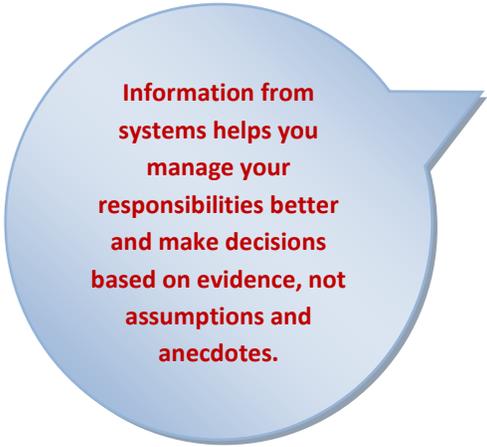
Information is the most important ingredient to managing facilities better. Without it, you are working blind. An FM system provides you with the visibility and insight you need.



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HOW CAN I IMPROVE RESULTS?



Information from systems helps you manage your responsibilities better and make decisions based on evidence, not assumptions and anecdotes.

In the Facility and Property Management profession, an important ingredient is often missing in otherwise excellent organizations - good information.

It's information you can use to make decisions and improvements both with internally delivered services and with your suppliers.

Implementing FM systems, including CAFM, CMMS, Work Order management and Help Desk systems, for example, is the most important thing you can do to improve service, reduce costs and preserve your assets, including reducing future costs.

The range and flexibility of available systems, including stand-alone, integrated or hosted web based systems, put this capability in the hands of even small organizations.

CAN AN FM SYSTEM HELP ME?

Information is the most important ingredient to managing facilities and buildings successfully and getting better results. Without it, you are working blind and relying on inaccurate or misleading anecdotal information, sometimes from staff that have been doing the same thing the same way for years or decades.

The business case for implementing a system includes at least four key benefits, however you need to consider the impact on your business process before you decide which system to buy and how to effectively implement your new FM system in your organization.

SIMPLIFY DELIVERY AND PROCESS

You can make your end-to-end processes for your service delivery more efficient, less prone to communication errors and more consistent using computerized processes and planning, web based work request entry, automated work flow and even direct dispatch and updating of work orders to contractors or your own staff through handheld devices. Better management of space enables efficient planning, space use and move management. You can even give your customers direct access to the status of their requests.

REDUCE TIME AND COSTS

You get access to important data and information such as the number of work requests by a variety of useful characteristics, response times, equipment information, churn, workstation allocations and more. You can use it to shorten and simplify your capital planning and space planning

processes. It can automatically calculate chargeback and eliminate manual processing and manipulation that costs time and money.

VISIBILITY INTO YOUR OPERATIONS

You can see what's going on in your operations with the right system. Track work orders issued, who is doing what activity, see comments on work and know who or which department is absorbing most of your resources. Understand the volume and type of moves and relocations. You can monitor conference room uses, track spending on equipment repairs and immediately know whether your legislative compliance requirements are met.

INFORMATION FOR DECISION MAKING

Since everything is tracked, you can generate reports and access raw data to analyze for patterns and issues that identify areas you need to take action on, providing the information you need to decide on key responsibilities such as resourcing, communication, process issues, bottlenecks and costs. It can also provide the evidence you need to justify initiatives and business cases, in addition to performance management and benchmarking.

WHAT KIND OF FM SYSTEMS ARE THERE?



The range of systems available to help FM organizations continues to grow. Vendors are expanding their software capabilities either with additional integrated modules or with increased functionality within existing software.

The first thing to consider is the actual application or solution you need. This will both depend on your set of responsibilities as well as the size of your organization and what makes sense to automate with a system.

Before we review the functionality, it is important to understand the different technology and approaches taken by software vendors.

In most cases, FM software is provided on a licensing basis, meaning ongoing annual or monthly fees. Some will sell the software for a single up-front fee and then provide a maintenance service for a monthly or annual fee.

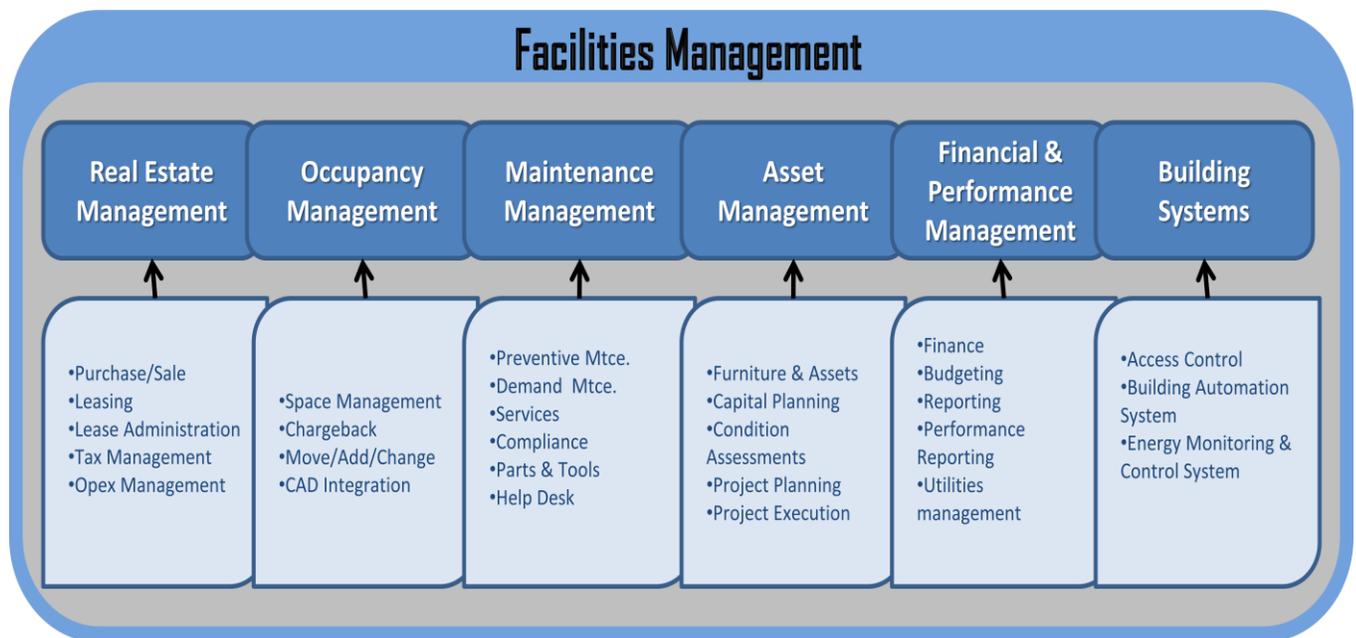
More and more systems are moving to an ASP or Application Service Provider model where the software (and usually the data) resides on the vendor's system. This then gives you web access to the software from anywhere and means your own IT department does not need to manage the system.

This approach has reduced the initial costs and even provided very attractive ongoing fee structures that even smaller organizations can afford.

DECYPHERING THE ALPHABET SOUP

There are many acronyms and terms used to describe FM Systems, Some of these have been around for a very long time while others are relatively new and are used to describe functionality that has evolved over time.

It's important not to focus on the acronyms and names. Instead, focus on the tasks and functions the software can do. The most common ones cover one or more of these six fundamental activities:



TERMINOLOGY

The terminology and acronyms in common use include the following, all used generically to describe types of Facility Management systems. Note that this list only covers the most common terms:

IWMS Integrated Workplace Management System

This typically describes an enterprise system that includes all the key areas of Facility Management, including real estate management, occupancy management, Asset & Maintenance management and even project management. Actual functionality will depend on the software system itself.

CAFM Computer Aided Facility Management

This has typically been an integrated system that includes primarily occupancy related information such as work station layouts, assets, building information such as LAN and telecom and sometimes other systems, space usage, signage, etc. The term has evolved over time and may also cover integrated systems with building maintenance included.

CMMS Computerized Maintenance Management Systems

This traditionally is focused on preventive and corrective/demand maintenance planning and tracking. It may be as simple as a work order management system and scheduled work orders or include call centre functionality to enable users to receive and record facility calls and turn them into work orders. Systems can often integrate with hand-held devices and provide work order entry or tracking for occupants on the web.

FIMS Facility Information Management Systems

This can have several meanings. It may refer to what is essentially a financial system that includes operations budgeting, capital renewal and possibly leasing and lease administration. It may also be used to describe an overall set of FM systems, whether integrated or not, including CAFM, CMMS, etc.

IFMS Integrated Facilities Management System

This is another term for IWMS (see above)

EDMS Electronic Document Management System

This enables the electronic capture, storage and retrieval of documents such as building plans, layouts, leases, etc. The functionality may be included in CMMS, CAFM or an integrated system, but it can also be available separately.

ISN'T IT EXPENSIVE?



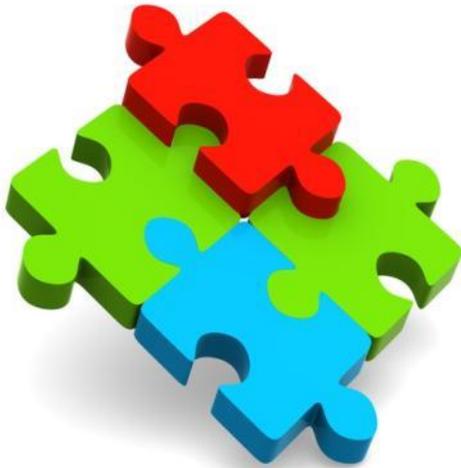
The cost of systems varies widely, as does the pricing model. Fortunately, pricing is often very flexible based on the size of your organization and even smaller organizations can now access more sophisticated systems. By minimizing the customization, you can also reduce your costs.

The more scope and services managed by the software and the more integrated a system is, the more expensive it will be in general. Keep in mind that the cost of the system may not be the largest cost when you are implementing new systems. The cost of resources to capture information, validate it and enter it into the new system can be high. In addition, customization of the system can add costs. You can trim your costs if you start small and gradually add functionality and data.

Pricing models include purchase and licensing. The licensing will sometimes be based on the area (total portfolio) which is managed by the system or by the number of unique users, often referred to as 'seats'.

If the system resides on your system, whether it is web based or not, you also need to consider the IT costs associated with the implementation. Otherwise, the system will reside on your vendor's IT systems, reducing the issues involved with hosting the system yourself.

DOES IT HAVE TO INTEGRATE?



Integration can save you time and effort, providing you with information that is coordinated between applications and linked to various operational processes, enabling cost savings and better strategic decisions.

Generally, it's true, however integration can sometimes be costly and counterproductive if it's done without considering the reason for integration.

There are two different types of integration:

- Built-in integration within the same system is common with large integrated systems, providing live integration between modules performing different functions.
- Integration with existing systems you already have, such as financial and HR, or between different vendor systems.

There are three different ways to integrate:

- Live sharing of common data between systems where changes are instantaneously available to each integrated system.
- Two-way synchronization where changes on either system are updated in the other on a periodic or schedules basis. This is similar to synchronizing your handheld device with your desktop email and contact program.
- One-way transfers of data on a periodic or scheduled basis but is not modified and sent back to the original system.

The best approach is to decide why you need integrated information and what decisions you expect to make. Then, implement based on your needs, using the integration approach that works.

Consider all factors related to time, effort and cost vs. real benefits to your organization and ask these questions:

- What will you do with the integrated information – will you make better decisions?

- Is the size of your portfolio (and related information) large enough that integration will truly save you money with reduced resourcing?
- If you want integration within a system (i.e. fully integrated system) will the software do everything as well as separate stand-alone systems?
- If you are integrating between systems, do you really need live and/or synchronized data to meet your needs, or will daily or weekly uploads work just as well? What integration capabilities does the software have?

Integration, like the system itself, should provide you with clear benefits, both financial and non-financial. If you are assessing integration based on reducing double entry, carefully assess whether you will actually reduce costs in real-life, not just on paper.

The most important consideration is whether the systems you buy do what you need them to do for your processes and services, so consider that first.

If integration isn't possible, is costly or technically difficult, consider alternatives to real-time integration between systems, such as third party software for integration and reporting / analysis of data or for download / upload techniques where real-time synchronization isn't needed.

WE ALREADY HAVE A SYSTEM

Even if you already have FM systems installed, is it being fully used and providing you with the benefits it should? It is good management practice to do an audit to ensure that the implementation is working and giving you the benefits you need.

Often, older implementations aren't used properly, information has not been maintained or work-arounds have been put in place by users because it wasn't implemented well the first time. Often, the implementation is driven by the vendor or IT department and fails to consider the real-world issues around processes and people, including change management and follow-up, an often overlooked activity which includes ensuring it is being used properly and adjusting the implementation based on feedback from users, auditing data entry to ensure it is up-to-date and consistent and providing follow-up training as needed.

The first and most important test is whether you are getting valuable, reliable information from your system that enables you to make decisions that improve survives and reduces costs. If the system is being used but you aren't getting anything from it, then you should look closely and question the value it provides in its current implementation.

If it isn't living up to expectations, it's time to re-implement. This includes assessing why it isn't doing what it should, adjusting processes, re-training

and demonstrating value to your staff so they will buy-in to the system. If it is an old system, it may be time to upgrade it or replace it.

HOW DO I SELL IT TO MANAGEMENT?

Often, the biggest hurdle to implementing an FM system is getting executive approval for the initiative. You need to get approval for the investment and sometimes for organizational changes or increases, depending on your organization. The key selling points are:

SIMPLIFY DELIVERY AND PROCESS

While this will usually result in reduced costs, it's not always easy to quantify. The elements you should focus on to identify savings related to reduced time and effort, reduced mistakes and quicker service. How these translate into cost savings will depend on your organization.

REDUCE TIME AND COSTS

With improved information, you can manage your processes to reduce waste, ensure effective and cost efficient capital planning and workstation planning and automatically provide information and calculations you may have used a manual process to get before. Depending on your implementation, you may also reduce manual input and processing, enabling you to either have a net reduction or implement the system with improved results and no additional staff requirements.

VISIBILITY INTO YOUR OPERATIONS

FM systems provide knowledge and visibility into the details of your operations rather than relying on incomplete, anecdotal or inaccurate feedback. This allows you to respond to issues and make changes and adjustments based on facts. Those changes will reduce costs and improve services.

INFORMATION FOR DECISION MAKING

Information is the most important tool a Facility Manager can have and FM Systems provide that information.

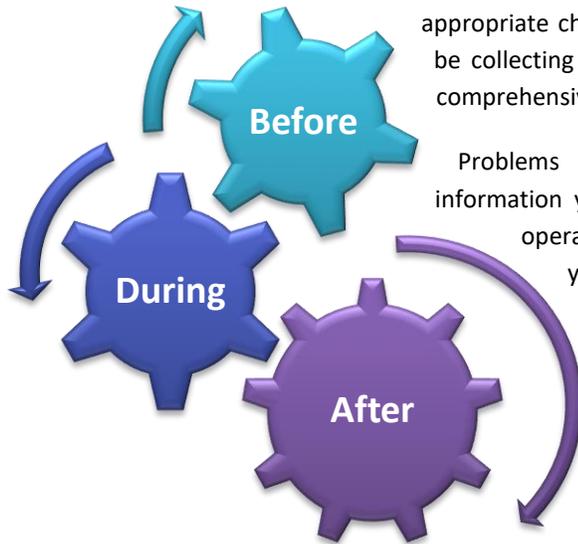
This information can be used to analyze your operations and your costs to drive improved services and reduced costs. In addition, the information is used to make decisions and justify business cases. You will now have facts and data to support your initiatives.

WHAT STEPS DO I TAKE TO MAKE IT HAPPEN?

These problems are magnified when systems are implemented without first understanding why you need the system, what you will use it for and

how it will integrate with the rest of your operations. This includes effective processes and training to ensure your staff buy-in and support the initiative.

You need to recognize and plan for the resources required, provide refresher training, audit the system and the processes after implementation to make sure it's working as intended and make the appropriate changes to adjust and improve the processes. You may even be collecting too much data or you have installed a system that is too comprehensive and complicated for your needs.



Problems are created when you don't clearly establish what information you really need and how you will use it to improve your operations. Built-in reports may not be enough. The information you get from your system is the most important feature along with better management of work processes, yet information overload can paralyze you.

If you already have an under-utilized system in place, there are things you can do to get better value from it by going back to square one and fixing the things that aren't working – and making changes so your system can start working for you instead of against you.

If you haven't purchased and installed a system yet, there are ways to ensure your new investment will deliver the benefits you expect and the results you need.

In addition to considering the business implications, needs and priorities, you must ensure your overall implementation plan addresses some of the fundamental problems organizations face when they implement new systems. This must be done from an operational perspective in addition to the software implementation process your software consultant or vendor specializes in:

THREE SIMPLE STEPS

To be more successful when implementing a new system, consider these steps:

1

Before you implement

Decide what your objectives and requirements are before you search for a system, including what you will do with the information you get from it, and strategically plan for the business implementation instead of simply a software implementation. This requires assessing your business needs, not just system needs. Don't rely solely on your software consultant or vendor for a successful system implementation.

2

During Implementation

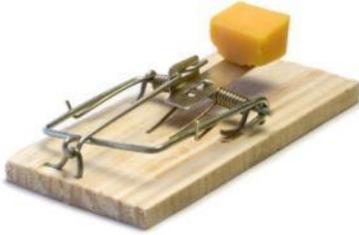
Communicate the changes and the reasons. Make sure it's meeting objectives by putting auditing and evaluation procedures in place. Give your staff training and re-training. Educate everyone on its value to promote support and ensure success. Listen carefully to your administration and field staff – their insight will be a valuable addition to your implementation plan.

3

After you implement

Make sure you use the information it gives you, monitor and tweak processes, re-train your staff, conduct quality assurance on the inputs and continue to sell its value to your organization. Conduct follow-up audits to ensure it is working as expected and take action to make changes as necessary.

AVOIDING THE TRAPS



Most organizations run into a common problem. The systems aren't as easy to use as they anticipated and chances are, organizational roadblocks make it even harder. These can include existing processes that make it difficult to integrate into your operations, interfacing it with current systems, organizational design and operational challenges, the effort needed to populate it with accurate information up-front, the cost of maintenance and upgrades, resources to enter information and keep it up-to-date and even resistance from the staff who need to use it.

Here are some of the main traps to avoid when implementing an FM System of any kind:

TRAP # 1 Not enough advance work

Advance work establishes why you need the system, building it into their strategic planning and deciding what they will use the information for, what you need and how to use it for decision making. In addition, you need to clearly and honestly assess your current organization's ability and willingness to work with the new system. Then you must develop a plan to make it work, including integrating it with your current practices, staffing and resources and then seeking the system that matches.

TRAP # 2 Not selling the idea to staff

You may have sold the idea upwards with a business case and got the money you need to implement a system, but how much effort was spent selling the idea to your staff, showing them the benefits, giving them training, asking them how to build it into their daily schedules and work with them on processes in a way that makes it easy and demonstrates the benefits not only to the organization but also to the staff.

TRAP # 3 No Change-Management

Most organizations and most staff resist change. Along with everything else, you need to consider the process, communication and personalities you need to deal with and build change management into a flexible implementation plan, along with your complete business process. You may need to counteract pre-conceived notions about systems and weed out those who are roadblocks to success. After all, the software is just one part of implementing a system.

TRAP # 4 Not planning for upkeep and maintenance

Implementing and populating the system in the first place can take a lot of effort, but often the amount of effort it takes to keep it up-to-date and accurate after it's up and running is ignored. Unless the processes, resources and support needed for this are part of your plan, you may end up with a system and data you can't rely on.

TRAP # 5 No follow-up

You can't introduce something new and then simply let it run on its own. You need to build follow-up into your plan to verify that the systems, processes and resources are working as designed, just like commissioning a new building. This includes revisiting the procedures, conducting a quality control assessment on the data, listening to the staff using the system and then making changes that ensure the system works like you expected it to.

TRAP #6 Not using the information

Often, just knowing the information is there seems to be enough for some managers, but unless you use the information, you aren't getting the best value from your system and very quickly, your staff will start to wonder why they bother feeding the system and your senior management will question your initiative. You need to use the information by analyzing it, communicate what it tells you and make changes as a result. This will clearly demonstrate that it is useful to your decision making and your management of the operations.

SUMMARY

FM Systems are the most important tools that you, as a Professional Property or Facility Manager, have to manage your responsibilities.

They provide critical visibility into the operations, information for decision making and analysis and improved processes and efficient services.

All of this results in lower costs and better services.

Yet many systems are implemented without consideration for the true business needs that the FM systems serve and may not achieve the expected goals.

By considering all the factors and developing a business implementation, not just a software implementation, you will ensure success.

Work on the business requirements first and then combine those with the software vendor to develop an effective implementation process that involves the following phases:

Before you implement - Establish objectives and requirements, decide what information you need and what you will do with it, figure out how to integrate it with your business processes, personnel and resources and establish the real integration requirements.

When you implement - communication, assessment, training, promotion and feedback used to tweak and adjust to make it work better.

After you implement - Use the information to make improvements, provide re-training, continue to sell its value and conduct a follow-up audit to ensure it met your goals and is being used effectively.

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